



Resources for Youth Programming and Policy

DESCRIPTION

- City-wide
- Free
- Available on a first come/first serve basis to young people 12-21
- 1 site
- Over 8,000 young people currently participate

The Door

Creatively Contracting

Overview

The Door strives to empower young people, ages 12 to 21, to reach their potential by providing them with accessible, comprehensive services—health care, counseling, education, career development, legal services, arts education and recreation—in a diverse and supportive environment.

Since its founding in 1972 by a visionary group of young professionals, The Door's comprehensive youth development model program has expanded dramatically. It currently serves over 8,000 youth from all five boroughs of New York City at one central location. This tremendous growth can be attributed to the entrepreneurial approach of The Door's leaders in creating more flexibility among existing funding streams. This flexibility led to the awarding of a Master Contract with state funders and new targeted revenue from private foundations, corporations and individuals.

Getting Started

A group of young professionals who were concerned by the fragmentation of community services for youth joined forces in 1972 to create an entirely new kind of organization: one that strove to address all aspects of young people's lives, in one place and at no cost. The inspiration for The Door was the shared belief among these professionals that adolescents reach their full potential only when all of their developmental needs are met in a caring and coordinated manner. Thirty five years later, The Door offers a comprehensive variety of services six days a week, including healthcare and health

education; career counseling and job placement; GED and ESOL courses; creative and physical arts; nutrition counseling; prenatal care for adolescent parents; substance abuse prevention services; civil legal counseling and representation; and youth leadership training.

Initially, The Door's founders approached multiple private foundations to launch their comprehensive model of youth service delivery. With the receipt of several "seed grants" from these foundations, The Door began providing services. In order to develop their vision, program leaders began soliciting donations from community members and applying for public funds. In-kind contributions from the community became an important resource for the program.

Soon after its founding, The Door established an Executive Board, comprised of representatives from the public sector, schools, non-profit organizations and the business community, to provide direction and assist with fundraising. The Door also began to employ a diverse group of professionals and youth workers. Approximately 40 percent of the professionals employed by The Door currently hold advanced degrees in the fields of medicine, public health, education, business, social work, public administration, nursing, education and law.

Financing

Realizing that developing a diverse funding base was essential for expanding youth programming and sustaining the initiative well into the future, The Door's

leaders looked beyond their initial private seed grants to the public sector for support. Grants from private foundations helped establish the organization and allowed The Door to fully develop its model. Leaders next introduced the program to city leaders and state agency representatives to garner their financial support as well. Their efforts paid off—The Door was subsequently awarded numerous contracts from various government agencies supporting individual services and programs.

Financing Strategies

- Making Better Use of Existing Resources
- Maximizing Federal, State, and Local Revenue
- Creating More Flexibility in Existing Streams
- Building Public/Private Partnerships
- Generating New Dedicated Revenue

Creating More Flexibility in Existing Streams

After almost a decade of providing comprehensive youth services funded by numerous state contracts, program leaders began to seek more flexibility from their public funders, in order to keep the truly comprehensive delivery of services viable. They argued that such flexible funding, rather than strictly targeted contracts, was key to offering every member the full range of services. Leaders of The Door also began discussions with state agency officials and the Governor's office to consolidate the numerous contracts they had received.

In 1991, after one and a half years of negotiation, state agency representatives agreed to consolidate several funding sources into one Master Contract. Under this new system, The Door negotiates the Master Contract with multiple state agencies every five years, resulting in a single-bundled funding allocation. The current \$1,600,000 Master Contract has eliminated the administrative burden of negotiating multiple contracts and reporting requirements with numerous government agencies for each service or program. It has also given program managers at The Door increased flexibility in offering services that are tailored to the needs of the young people they serve.

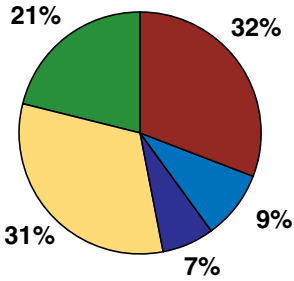
Generating New Revenue

The Master Contract proved to be an effective tool for leveraging additional public and private funding. In fact, Door management sees the Master Contract as a critical 'vote of confidence' in The Door's service delivery model. Since negotiating the Master Contract, The Door's budget has almost doubled.

Additionally, in the late 1990's, The Door had the opportunity to purchase and renovate a warehouse property (a non-profit condominium) in Lower Manhattan. Although the transaction was extremely difficult in the short-term, the long term benefits of owning prime real estate in New York City have been demonstrated over and over again. Today the Door has rental and condominium management income that significantly adds to its income each year.

In 2000, The Door entered into another highly unusual non-profit agreement, this time with another social service agency located across town on the Lower East Side: University Settlement. With the benefit of superb management and a long history of balanced budgets, University Settlement was able to create unmatched efficiency by combining all administrative components of the two agencies in a Parent/Subsidiary arrangement. Six years into the relationship, The Door has seen balanced budgets and enviable growth since the partnership was born. Most private funders take confidence in this model agency structure, seeing the tangible fiscal benefits and the expansion of program resources available to both parties. The Door's Development Office is responsible for all agency fundraising activities for both University Settlement and The Door, generating well over \$25 million in revenues for the combined institution annually.

Funding for The Door’s Comprehensive Youth Development Program



Total Budget = \$9,287,044

- State
- City
- Federal
- Foundation/Corporate
- Other Private

The Door’s comprehensive youth development model, its rigorous outcome measurement and its meticulous fiscal practices all contribute to fundraising success. The model has a clear message, is easy to understand and has demonstrated positive results for over three decades.

Next Steps and Future Challenges

Given The Door’s strong fiscal foundation, it has been able to dedicate considerable management attention on the creation of strong programmatic infrastructure. A strong data collection and evaluation system has recently been upgraded by the new Director of Program Evaluation and Quality Assurance. Increasingly experienced and talented staff members bring the full value of the comprehensive model to a challenging population. Today more than half The Door’s membership is over 18—most out-of-school, either disconnected or ‘pushed out’ of the New York City system. Their needs are more complex than ever, demanding creative applications of program principles, and longer follow-up with participants. Finally, The Door is exploring ways to extend its age definition to serve young people up to the age of 25, a change that would reflect the clear needs of the young people using Door services in 2007.

Keys to Success

- **Use an Entrepreneurial Approach.** In order to better fund their comprehensive youth services model, Door management pursued several strategies to generate flexible funding. By building strong relationships with state agencies, they were able to create a blended state contract referred to as the Master Contract.
- **Communicate the Unique Benefits of the Model.** The fact that every Door member entering the program has access to the full range of support makes the Door’s outcomes unparalleled and its model unique. This, in the context of an extraordinary physical plant with immaculate and state-of-the-art facilities, is one of the key deciding factors that funders consider when evaluating a request for support.
- **Demonstrate Results.** The Door has continually documented results of its comprehensive service model. These results have attracted both public and private funders and have allowed The Door to create breakthrough programming that is a model to other youth development agencies.



The **FINANCE PROJECT**

For more information, contact The Finance Project at 202.628.4200 or visit our web site at www.financeproject.org

The Door’s FY 07 Budget

Public Funds

Federal	\$611,037
State	\$3,024,310
City	\$2,900,031

Private Funds

Foundation/Corporate	\$1,925,901
Rental Income	\$428,765
Condo Management Fee	\$192,000
Individuals	\$150,000
Interest income	\$50,000
Misc.	\$5,000

Total **\$9,287,044**